

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of January 5, 2015 by and among KDMI License, LLC, a Delaware limited liability company and debtor-in-possession (the “Seller”) and Dove Broadcasting, Inc., a Tennessee non-profit corporation (“Buyer”).

Recitals

WHEREAS, Seller owns and operates television broadcast station, KDMI (FCC Facility # 78915), licensed to Des Moines, Iowa (the “Station”) pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”).

WHEREAS, Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, all of the Station Assets (defined below).

WHEREAS, Consummation of the proposed transaction is subject to and conditioned upon receipt of the Bankruptcy Court Approval and the FCC Consent (each as defined below).

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: PURCHASE OF ASSETS

1.1. Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), except as set forth in Sections 1.2, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to the following assets and properties of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Station (the “Station Assets”):

(a) the licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the “FCC Licenses”) that are listed on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing and all applications filed with the FCC in connection with the Station for the Station’s participation in the reverse auction contemplated as part of the broadcast television incentive auction to be conducted by the FCC under Section 6403 of the Middle Class Tax Relief and Job Creation Act of 2012 (“Auction 1001”);

(b) Seller’s equipment, transmitters, antennas, cables, computing devices, furniture, fixtures, spare parts and other tangible personal property that are listed on *Schedule 1.1(b)*, except for any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business (the “Tangible Personal Property”);

(c) Such contracts, agreements and leases listed on *Schedule 1.1(c)*, together with all contracts, agreements and leases made between the date hereof and Closing, with

Buyer's express consent and intent to assume, in accordance with Article 4 (the "Station Contracts");

(d) Seller's rights in and to the Station's call letters and Seller's rights in and to the trademarks, trade names, service marks, internet domain names, copyrights, programs and programming material, jingles, slogans, logos, transferrable software, and other intangible property that are listed on *Schedule 1.1(d)* (the "Intangible Property"); and

(e) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating exclusively to the operation of the Station, including the Station's local public files, programming information and studies, engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs, but excluding records relating to Excluded Assets (defined below).

1.2. Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the "Excluded Assets");

(a) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property of Seller retired or disposed of between the date of this Agreement and Closing in accordance with Article 4;

(c) all Station Contracts that are terminated or expire prior to Closing in accordance with Article 4, in particular the Station's program affiliation with the This TV Network; which, along with other programming, advertising and/or media representation agreements not expressly assumed by Buyer herein, are to be terminated by Seller, on or prior to Closing, without any continuing liability or obligation to perform by Buyer;

(d) Seller's studio lease;

(e) Seller's corporate and trade names, charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Station, and all records not relating to the operation of the Station;

(f) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

(g) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(h) the Station's accounts receivable and any other rights to payment of cash consideration (including without limitation all rights to payments under the Station's network affiliation agreements, whether or not offset) for goods or services sold or provided prior to the Effective Time (defined below) or otherwise arising during or attributable to any period prior to the Effective Time (the "A/R"). While the A/R are excluded and Buyer is not agreeing to collect

any A/R for Seller, Buyer agrees to forward any Seller A/R received after Closing as soon as possible and in any event within 10-days of receipt. Any payment(s) received by Buyer shall be forwarded to Seller until the outstanding balance for such customer owed to Seller is reduced to zero;

(i) any computer software and programs used in the operation of the Station that are not transferable;

(j) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Station and the Station Assets, to the extent arising during or attributable to any period prior to the Effective Time;

(k) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.6;

(l) all claims of Seller with respect to any tax refunds;

(m) all motor vehicles; and

(n) any other right, asset or interest of Seller or any affiliate of Seller not specifically included in the Station Assets.

1.3. Assumption of Obligations. At the Effective Time (defined below), Buyer shall assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Station Contracts and the FCC Licenses, the obligations described in Section 5.5 and any other liabilities of Seller to the extent Buyer receives a credit therefor under Section 1.6 (collectively, the “Assumed Obligations”). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller (the “Retained Obligations”).

1.4. Purchase Price. Subject to adjustment under Section 1.6, in consideration for the sale of the Station Assets to Buyer, at Closing Buyer shall pay Seller, by wire transfer of immediately available funds, the sum of One Million Dollars (\$1,000,000), (the “Purchase Price”). In addition, Seller shall be entitled to a portion of any proceeds received for the Station in Auction 1001 over Two Million Dollars (\$2,000,000) as provided in Section 1.11(e).

1.5. Deposit. By no later than 5:00 on Friday, January 8, 2016, Buyer shall make a cash deposit in immediately available funds in an amount equal to One Hundred Thousand Dollars (\$100,000) (the “Deposit”) with BB&T or another mutually agreeable third-party escrow agent (the “Escrow Agent”) pursuant to the mutually agreed to Escrow Agreement (the “Escrow Agreement”) to be executed herewith among Buyer, Seller and the Escrow Agent. In the event that the Deposit is not timely funded, this Agreement shall become null and void. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price and any interest accrued thereon shall be disbursed to Buyer. If this Agreement is terminated by Seller pursuant to Section 10.1(c) (Buyer default), the Deposit and any interest accrued thereon shall be disbursed to Seller and credited as liquidated damages under Section 10.5. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall jointly instruct the Escrow Agent to disburse the Deposit and all

interest thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

1.6. Prorations and Adjustments. All prepaid and deferred income and expenses relating to the Station Assets and arising from the operation of the Station shall be prorated between Buyer and Seller in accordance with accounting principles generally accepted in the United States (“GAAP”) as of 12:01 a.m. on the day of Closing (the “Effective Time”). Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music, programming and other license fees, employee performance incentives set forth in employment agreements or annual compensation plans, any vacation for Transferred Employees (defined below) (except accruals for the fiscal year of Seller in which Closing occurs for which there shall be no adjustment), utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Station’s deposits and prepaid expenses. Sales commissions related to the sale of broadcast time aired on the Station prior to Closing shall be the responsibility of Seller, and commissions related to the sale of broadcast time aired on the Station after Closing shall be the responsibility of Buyer.

1.7. Allocation. At or before the Closing, Buyer and Seller will endeavor in good faith to agree on an allocation of the Purchase Price for the Station in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”). Buyer and Seller shall file its federal income tax returns and its other tax returns reflecting any allocation made pursuant to this Section.

1.8. Closing. Unless restricted by the FCC’s rules related to Auction 1001, the consummation of the sale and purchase of the Station Assets provided for in this Agreement (the “Closing”) shall take place on no later than the ten (10th) business day after the last to occur of the date of the FCC Consent or the Bankruptcy Court Approval (or on such earlier day after FCC Consent and Bankruptcy Court Approval as Buyer and Seller may mutually agree), subject to the satisfaction or waiver of the conditions set forth in Articles 6 or 7 below. The date on which the Closing is to occur is referred to herein as the “Closing Date.” If required by the FCC’s rules and policies related to Auction 1001, Seller agrees that Buyer will use the Seller FRN and password associated with the Station as of December 8, 2015 (the “Auction 1001 FRN”) following the Closing for purposes of participating in Auction 1001 with respect to the Station. Buyer shall use the access to Seller information achieved from use of the Auction 1001 FRN only for purposes of Auction 1001 and not to access FCC electronic databases and systems (including, but not limited to, CDBS, LMS, CORES, and the Red Light Display System).

1.9. FCC Consent. Within five (5) business days of the date of this Agreement, but in no event later than January 5, 2016, Buyer and Seller shall file an application with the FCC (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the assignment of the main station FCC Licenses to Buyer is referred to herein as the “FCC Consent.” Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible. Buyer and Seller shall notify each other of all documents filed with or received from the FCC with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably

request in connection with their preparation of any FCC filing hereunder. Notwithstanding the foregoing, neither party shall communicate to the other party during the Quiet Period for Auction 1001 if doing so would constitute a “prohibited communication” or would otherwise violate the FCC’s anti-collusion rules, including the Guidance Regarding the Prohibition of Certain Communications During the Incentive Auction, Auction 1001, adopted October 6, 2015 (“Prohibited Communication”). For purposes of this Agreement, “Quiet Period” means the period of time commencing on the deadline for broadcasters to submit an FCC application to participate in Auction 1001 and ending on the date the FCC Public Notice announcing the reverse auction results for Auction 1001 (the “Incentive Auction Results PN”). Buyer acknowledges that Seller shall not be obligated to apprise Buyer about Seller’s progress or success in Auction 1001 during the Quiet Period to avoid making any Prohibited Communication.

1.10 Bankruptcy Court Approval. David P. Stapleton (“DPS”) is the successor trustee of the Pappas Liquidating Trust, which was established on December 21, 2011, by order of the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) in Chapter 11 Case No. 08-10949 (PJW). The Pappas Liquidating Trust is the majority member of and sole owner of the capital stock of Pappas Telecasting Companies, a Nevada Corporation (“PTC”), the managing member of Pappas Digital Television of Des Moines-Ames, LLC. Promptly following the execution of this Agreement, DPS will file a motion (the “Sale Motion”) requesting the entry of an order from the Bankruptcy Court approving the sale of the Station to the Buyer, and authorizing DPS on behalf of Seller to enter into this Agreement (the “Bankruptcy Court Approval”). Following the filing of the Sale Motion, DPS will use reasonable efforts to obtain approval of the Bankruptcy Court Approval. Entry of the Bankruptcy Court Approval by the Bankruptcy Court is an express condition of the Closing. Buyer shall furnish Seller with such information and assistance as Seller may reasonably request in connection with preparation and prosecution of the Sale Motions.

1.11 Auction 1001 Participation.

(a) FCC Form 177. Notwithstanding the foregoing, since the Closing will not occur prior to the deadline for the submission to the FCC of an application for the Station to participate in Auction 1001 (i.e., as of 6 pm Eastern Time on January 12, 2016) (“Auction 1001 Application Deadline”), the Parties shall cooperate in the preparation and filing of an application on FCC Form 177 to indicate that the Station shall participate in Auction 1001. Such application shall reserve for the Station the “Go Off-Air” relinquishment option. Buyer hereby agrees to assume upon Closing all obligations and elections of the Station set forth in the Station’s FCC Form 177 and to be bound by the Station’s actions in Auction 1001 with respect to its FCC Authorization.

(b) Auction 1001 Bidding. The Parties agree that Seller shall place bids in Auction 1001 subject to reserve price for the Station of Five Million Dollars (\$5,000,000) (the “Reserve Price”). In the event that the auction proceeds for the Station to Go Off-Air is less than \$5,000,000, the Station shall be withdrawn from Auction 1001.

(c) Quiet Period. During all times that such rules are applicable, Buyer shall comply with the FCC’s anti-collusion rules and policies governing communications between multiple full-power and Class A broadcast televisions licensees and between full-power and

Class A broadcast television licensees' and applicants to participate in the forward auction portion of the FCC's Broadcast Incentive Auction, including but not limited to 47 C.F.R. §1.2205(c).

(d) Notwithstanding anything to the contrary in this Agreement, activities undertaken by Seller in compliance with this Section 1.11 shall not constitute a breach of any representation, warranty, or covenant of Seller herein.

(e) Division of Proceeds Derived from Auction 1001. The parties agree that the proceeds if any, derived from the relinquishment of spectrum usage rights for the Station shall be divided between Seller and Buyer in accordance with the ratio set forth below, regardless of which party is the licensee of the Station at the time of license relinquishment:

Buyer =Thirty Percent (30%)
Seller = Seventy Percent (70%)

Seller will instruct the FCC to deliver the proceeds, if any, from Auction 1001 to Kalil & Co. Upon receipt, Kalil & Co. will immediately place such proceeds in an escrow account. The proceeds will be distributed by Kalil & Co. to Seller and Buyer in accordance with the percentage allocation listed above as soon as possible following.

(f) Control of Station. Notwithstanding anything contained in this Agreement that may provide for, or be construed to provide for, the contrary, the then-current licensee of the Station will at all times maintain de jure and de facto control over the Station, including control over programming, personnel, finances and other operations.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1. Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the jurisdiction in which the Station Assets are located. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the "Seller Ancillary Agreements") and to consummate the transactions contemplated hereby.

2.2. Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3. No Conflicts. Except for the FCC Consent, the Bankruptcy Court Approval, and consents to assign certain of the Station Contracts, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4. FCC Licenses. Except as set forth on *Schedule 1.1(a)*: Seller is the holder of the FCC Licenses described on *Schedule 1.1(a)*. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). There is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against the Station or against Seller with respect to the Station that could result in any such action. The Station is operating in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the “Communications Act”), and the rules, regulations and policies of the FCC.

2.5. Taxes. Seller has, in respect of the Station’s business, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6. Personal Property. *Schedule 1.1(b)* contains a list of material items of Tangible Personal Property included in the Station Assets. The Tangible Personal Property is in normal operating condition, ordinary wear and tear excepted. Except as set forth on *Schedule 1.1(b)*, Seller has title to the Tangible Personal Property free and clear of liens, claims and encumbrances (“Liens”) other than Permitted Liens (defined below). As used herein, “Permitted Liens” means, collectively, the Assumed Obligations, liens for taxes not yet due and payable, liens that will be released at or prior to Closing, and such other easements, rights of way, building and use restrictions, exceptions, reservations and limitations that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Station.

2.7. Contracts. Except as set forth on *Schedule 1.1(c)*, each of the Station Contracts is in effect and is binding upon Seller and, to Seller’s knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Seller’s knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect.

2.8. Cable and Satellite Matters. Seller has provided a must-carry or retransmission consent notice for Station, for the three-year period ending December 31, 2017, to the multi-channel video programming distributors (“MVPDs”) listed on *Schedule 1.1(c)*. Seller has also

made timely and valid satellite must carry elections for the 2015-2017 election cycle with DIRECTV and DISH Network. Seller shall provide true and correct copies of these elections to Buyer, and warrants that neither DIRECTV nor DISH Network has advised Seller of any situation or issue that would negatively impact the Station's carriage status on these systems. Seller acknowledges that Station's carriage by DIRECTV and DISH Network are material to Buyer.

2.9. Environmental. To Seller's knowledge, no hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released by Seller in connection with the Station Assets. To Seller's knowledge, Seller has complied in all material respects with all environmental, health and safety laws applicable to the Station.

2.10. Intangible Property. *Schedule 1.1(e)* contains a description of the material Intangible Property included in the Station Assets. Except as set forth on *Schedule 1.1(e)*, to Seller's knowledge, Seller's use of the Intangible Property does not infringe upon any third party rights in any material respect. Except as set forth on *Schedule 1.1(e)*, to Seller's knowledge, Seller owns or has the right to use the Intangible Property free and clear of Liens other than Permitted Liens.

2.11. Employees. Seller has complied in all material respects with all labor and employment laws, rules and regulations applicable to the Station's business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and there is no unfair labor practice charge or complaint against Seller in respect of the Station's business pending or to Seller's knowledge threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Station's business.

2.12. Insurance. Seller maintains insurance policies with respect to the Station and the Station's assets consistent with past practice, and will maintain such policies in effect until the Closing.

2.13. Compliance with Law. Seller has complied in all material respects with all laws, rules and regulations, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Station, and to Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Station except those affecting the industry generally.

2.14. Litigation. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station that will subject Buyer to liability or which will affect Seller's ability to perform its obligations under this Agreement.

2.15. Brokers. Except for Kalil & Co, Inc., an Arizona corporation, with its offices located in Tucson, Arizona (the "Broker"), whose fee shall be paid by Seller, Seller has not retained any broker, finder, agent or other individual or firm who would be owed a brokerage fee, finders' fee or commission as a result of the consummation of the transactions contemplated hereby.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1. Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the “Buyer Ancillary Agreements”) and to consummate the transactions contemplated hereby.

3.2. Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3. No Conflicts. Except for the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby does not conflict with any organizational documents of Buyer or any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4. Litigation. There is no action, suit or proceeding pending or threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5. Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC. There are no facts that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, or under any notice of proposed rulemaking, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station. No waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be obtained.

3.6. Brokers. Buyer has not retained any broker, finder, agent or other individual or firm who would be owed a brokerage fee, finders’ fee or commission as a result of the consummation of the transactions contemplated hereby, and Buyer shall be responsible for the fee of any broker claiming to have been retained by Buyer in connection with the transactions contemplated hereby.

ARTICLE 4: SELLER COVENANTS

4.1. Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, and except as permitted or directed by the Bankruptcy Court, Seller shall:

- (a) operate the Station in the ordinary course of business and in all material respects in accordance with FCC rules and regulations and with all other applicable laws, regulations, rules and orders;
- (b) not materially adversely modify any of the FCC Licenses, except any changes resulting from participation in Auction 1001;
- (c) not other than in the ordinary course of business, sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens;
- (d) upon reasonable notice, give Buyer reasonable access during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, provided that such access rights shall not be exercised in a manner that interferes with the operation of the Station;
- (e) at Buyer's sole cost and expense, provide Buyer any financial information regarding the Station that is maintained by Seller on an unconsolidated basis and requested by Buyer that is reasonably necessary to obtain debt and equity financing for the Station;
- (f) except in the ordinary course of business and as otherwise required by law, (i) not enter into any employment, labor, or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing, or (ii) increase the compensation payable to any employee of the Station, except for bonuses and other compensation payable by Seller in connection with the consummation of the transactions contemplated by this Agreement;
- (g) not, other than in the ordinary course of business, enter into new Station Contracts or amend any existing Station Contracts;
- (h) Seller shall deliver to Buyer at closing an executable assignment of its current tower license agreement with American Tower, LLC, regarding Station's transmission facilities in Elkhart, Iowa, on the same terms and conditions as presently contained in that agreement; and
- (i) apply to participate in Auction 1001, selecting the "Go Off-Air" relinquishment option, and accept "Go Off-Air" bids offered by the FCC in Auction 1001 to relinquish the FCC license of the Station unless and until such offered bids go below the Reserve Price set forth in Section 1.11(b).

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1. Confidentiality. All non-public information regarding the parties and their business and properties that is disclosed by one party to the other in connection with the negotiation, preparation, or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except: (i) as agreed upon by Buyer and Seller; (ii) by either party to such party's attorneys, accountants, other professionals, lenders, investors, and persons whose consent is required in connection with the transactions contemplated hereby; or (iii) otherwise as may be required by law subject to advance notice to the other party.

5.2. Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except to obtain the FCC Consent and the Bankruptcy Court Approval.

5.3. Control. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4. Risk of Loss.

(a) Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

(b) If prior to the Effective Time any material item of Tangible Personal Property is damaged or destroyed in any material respect, then:

(i) Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business,

(ii) Seller's representations and warranties, and Buyer's pre-Closing termination rights and post-Closing indemnification rights, are hereby modified to take into account any such condition, and

(iii) if such repair or replacement is not completed prior to Closing, then as Buyer's sole remedy, the parties shall proceed to Closing and Seller shall repair or replace such item in all material respects after Closing (and Buyer will provide Seller access and any other reasonable assistance requested by Seller with respect to such obligation).

(c) If the Station is off the air prior to Closing, then Seller shall use commercially reasonable efforts to return the Station to the air as promptly as practicable in the ordinary course of business. Notwithstanding anything herein to the contrary, if on the day otherwise scheduled for Closing the Station is off the air, then Closing shall be postponed until the date five (5) business days after the Station returns to the air, subject to Section 10.1.

5.5. Employees. Seller has provided Buyer a list showing employee positions and annualized pay rates for employees of the Station. Buyer may, at its sole business discretion, offer employment to any or all persons employed by Seller immediately prior to Closing (including any hired after the date hereof in the ordinary course of business) under terms and conditions that it believes are appropriate for operation of the Station. Any existing Seller employee hired by Buyer shall be a "Transferred Employee". Transferred Employees' service with Seller will be deemed as service with Buyer for purposes of eligibility, waiting periods, vesting periods (but not benefit accrual) based on length of service, and calculation of vacation and severance benefits, if applicable. Each Transferred Employee will be credited under Buyer's vacation and sick leave policies with such prorated vacation and sick time as would be available to such Transferred Employee under Buyer's employment policies afforded to similarly situated employees of Buyer, (after giving credit for service with Seller and its predecessors and Affiliates) for the portion of the calendar year following the effective date of their employment with Buyer.

5.6. Consents. The parties shall use commercially reasonable efforts to obtain any third-party consents necessary for the assignment of any Station Contract or Intangible Property (which shall not require any payment to any such third party), but no such consents are conditions to Closing.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1. Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement, shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3. FCC Consent. The FCC Consent shall have been obtained and shall have become final.

6.4. Bankruptcy Court Approval. The Bankruptcy Court Approval shall have been obtained and shall have become final.

6.5. Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1. Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2. Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3. FCC Consent. The FCC Consent shall have been obtained and shall have become final.

7.4. Bankruptcy Court Approval. The Bankruptcy Court Approval shall have been obtained and shall have become a final order.

7.5. Transmitter Building Lease. Assuming that Seller's sister company, KCWI License, LLC, has closed on the sale of its station KCWI-TV to Nexstar Broadcasting, Inc. ("Nexstar"), Seller shall have entered into and shall assign to Buyer at closing a certain Transmitter Building Lease Agreement, regarding continued co-location of Station's transmission facilities with KCWI's transmission facilities in the transmitter building at the American Tower broadcast site in Elkhart, Iowa. Buyer acknowledges that Seller has provided to Buyer the final draft (as it exists as of the date of this Agreement) of the Transmitter Building Lease Agreement with Nexstar.

7.6. Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

ARTICLE 8: CLOSING DELIVERIES

8.1. Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(i) good standing certificates issued by the Secretary of State of Seller's jurisdiction of formation;

(ii) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(iii) the certificate described in Section 7.1(c);

(iv) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;

(v) an assignment and assumption of contracts assigning the Station Contracts from Seller to Buyer;

(vi) a bill of sale conveying the other Station Assets from Seller to Buyer; and

(vii) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

8.2. Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(i) the Purchase Price in accordance with Section 1.4 hereof;

(ii) good standing certificates issued by the Secretary of State of Buyer's jurisdiction of formation;

(iii) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(iv) the certificate described in Section 6.1(c);

(v) an assignment and assumption of contracts assuming the Station Contracts; and

(vi) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1. Survival. The representations and warranties in this Agreement shall survive Closing for a period of six (6) months from the Closing whereupon they shall expire and be of no further force or effect, except that if within such period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

9.2. Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

(i) any breach by Seller of its representations and warranties made under this Agreement; or

(ii) any default by Seller of any covenant or agreement made under this Agreement; or

(iii) the Retained Obligations; or

(iv) the business or operation of the Station before the Effective Time, except for the Assumed Obligations.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under Section 9.2(a) until, and only to the extent that, Buyer's aggregate Damages exceed \$10,000, and (ii) the maximum liability of Seller under Section 9.2 shall be an amount equal to \$100,000.

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

(i) any breach by Buyer of its representations and warranties made under this Agreement; or

(ii) any default by Buyer of any covenant or agreement made under this Agreement; or

(iii) the Assumed Obligations; or

(iv) the business or operation of the Station after the Effective Time.

9.3. Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may

undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim; and

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim.

ARTICLE 10: TERMINATION AND REMEDIES

10.1. Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period;

(d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date six (6) months after the later of the date of filing of FCC Application or the Sale Motion (the "Outside Date"); and

(e) by written notice of Seller to Buyer or Buyer to Seller if the Bankruptcy Court denies the Sale Motion by final order or if the FCC denies the FCC Application by final order.

10.2. Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the

other written notice of breach or default hereunder and continuing until the earlier of (i) thirty (30) calendar days thereafter, or (ii) ten (10) business days after the scheduled Closing date; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the date ten (10) business days after the scheduled Closing date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the date ten (10) business days after the scheduled Closing date.

10.3. Survival. Neither party may terminate under Sections 10.1(b) or (c) if it is then in material default under this Agreement. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Deposit) (and Section 10.5 with respect to the Deposit), 5.1 (Confidentiality), and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4. Specific Performance. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, the Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining the FCC Consent and the Bankruptcy Court Approval, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

10.5. Liquidated Damages. If Seller terminates this Agreement pursuant to Section 10.1(c), then the Deposit shall be paid to Seller, and such payment shall constitute liquidated damages and the sole remedy of Seller under this Agreement. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

ARTICLE 11: MISCELLANEOUS

11.1. Expenses. Each party shall be solely responsible for its own costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. Seller shall be solely responsible for the fee due to its broker, Kalil & Co., Inc. The FCC filing fee shall be paid one-half by Buyer and one-half by Seller. All other governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement, including any recordation and documentary taxes, shall be paid by Buyer. Each party is responsible for any commission, brokerage fee, advisory fee or other similar payment that arises as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby.

11.2. Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.3. Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto. The terms of this Agreement shall bind and inure to the benefit

of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

11.4. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

KDMI License, LLC
c/o The Stapleton Group
515 South Flower Street, 36th Floor
Los Angeles, CA 90071
Attention: David P. Stapleton
Facsimile: (213) 235-0620 with a copy to (559) 733-7878

with copies (which shall not constitute notice) to:

Fletcher Heald & Hildreth, PLC
1300 N. 17th Street, Suite 1100
Arlington, VA 22209
Attention: Kathleen Victory, Esq.
Facsimile: (703) 812-0486

if to Buyer:

Dove Broadcasting, Inc.
2028 Route 37
Marion, Illinois 62959
Attention: Julie A. Nolan
Facsimile: 618-997-8936

with copies (which shall not constitute notice) to:

Law Offices of Colby M. May
201 Maryland Ave. NW
Washington, DC 20002
Attention: Colby M. May, Esq.
Facsimile: (202) 544-5172

11.5. Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6. Entire Agreement. This Agreement, together with the License Agreement by and between Seller and American Tower (to be assigned from Seller to Buyer); the proposed Tower Building Lease Agreement by and between Seller and Nexstar (to be executed in the event that Nexstar's purchase of KCWI is consummated prior to the transactions contemplated herein); constitute the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the

subject matter hereof and no party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in these agreements.

11.7. Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8. No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Iowa without giving effect to the choice of law provisions thereof.

11.10. Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. This Agreement and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by facsimile transmission or electronic mail in pdf form, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

BUYER:

DOVE BROADCASTING, INC.

By: Julie A. Nolan
Name: Julie A. Nolan
Title: President

SELLER:

KDMI LICENSE, LLC

By: _____
Name: David P. Stapleton
Title: Trustee, Pappas Liquidating Trust,
majority member of
Pappas Digital Television of Des Moines-
Ames, LLC, sole member

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

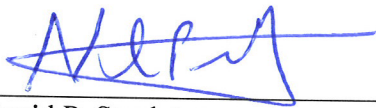
BUYER:

DOVE BROADCASTING, INC.

By: _____
Name: Julie A. Nolan
Title: President

SELLER:

KDMI LICENSE, LLC

By:  _____
Name: David P. Stapleton
Title: Trustee, Pappas Liquidating Trust,
majority member of
Pappas Digital Television of Des Moines-
Ames, LLC, sole member

Schedule 1.1(a)

FCC Licenses, Permits and other authorizations

All licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station:

1. **KDMI-TV** Channel 19 DT License, Des Moines, Iowa – BLCDT-20120627AAE, expires 02/01/2022.

Schedule 1.1(b)
Tangible Personal Property

ProSafe 48+4 Stackable Smart Switch	Studio
ProSafe 48 Port 10/100/1000 Smart Switch	Studio
Atlas Modular Receiver Decoder	Transmitter
Computer	Studio
Monitor	Studio
Computer	Studio
Monitor	Studio
Audio mixer	Studio
Audio mixer	Studio
Computer	studio
Monitor	studio
shelf	Studio
Off-air recorder	Studio
DTV Remultiplexer	Studio
Transport Stream Monitor	Transmitter
Transmitter, DTV Ch. 19, Acrodyne Quantum IOT (2 separate cabinets marked HPA1 & HPA2)	Transmitter
Satellite Dish	Transmitter
Satellite Dish	Transmitter
Furniture - 5 desks, 5 chairs w/wheels	
Fence, Chain Link	Transmitter
THIS Network Reciever	Stratus
DTV CONV & SYSTEM UPGRADE	Transmitter
Dielctric TV Antenna TFU-30GTH-R	Slater Tall Tower
6 1/8" TRNASMISSION LINE	Slater Tall Tower
DILECTRIC RF SYSTEM	Transmitter
EAS DASDEC DIGITAL ALERT SYSTEM	Transmitter
computer Optiplex 3020	studio
LQ-1000	Transmitter
MRD 3187A	Transmitter
Frame w/ SDI DA's, logo inserter	Westar
Satellite receiver D9854	Westar
OpenGear frame w/TSD-100	Westar

Schedule 1.1(c) Real Property Lease, Licenses & Similar Agreements

Lessor / Licensor	Location	Start Date	End Date	Renewal Notification Date	Monthly Lease Payment	Additional Contract Information
Tower Lease: AMERICAN TOWER **	Des Moines Main Tower A	8/1/2006	7/31/2016	Renewal Notification Date is 4/30/2016	\$5,454.25	10 year term with four (4) five-year options
Transmitter ■ Building Lease NEXSTAR						

■ In the event that the KCWI Closing with Nexstar does not occur, the Seller and Buyer will enter into a Transmitter Building lease in substantially the same form provided, however, that separate metering shall not be required and the power usage will be split as follows: 60% to be paid by KDMI and 40% to be paid by KCWI.

Schedule 1.1(d)

Station Contracts

Vendor	Service(s) Provided	Start Date	End Date	Amount	Monthly
Mediacom**	Fiber Connectivity	4/01/2015	3/31/2020	\$4,800	\$400

**** Requires Consent for assignment**

Schedule 1.1(e)
Intangible Property

Call Letters: **KDMI**

Internet URL: **www.kdmitv.com**